



Illinois Department of Commerce & Economic Opportunity

Pat Quinn, Governor • Warren Ribley, Director

October 1, 2010

Dear Members of the General Assembly:

The enclosed information fulfills the statutory directive that the Illinois Department of Commerce and Economic Opportunity (DCEO) report annually to the members of the Illinois General Assembly on the status of the Illinois River Edge Redevelopment Program.

DCEO has designated four cities – Aurora, East St. Louis, Elgin and Rockford – as River Edge Redevelopment Zones.

The purpose of the River Edge Redevelopment Program is to revive and redevelop environmentally challenged properties adjacent to rivers in Illinois.

I trust that you will find this 2010 River Edge Redevelopment Zone Report useful.

Sincerely,

Warren Ribley
Director

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River Edge Redevelopment Zone Program 2010 Annual Report

The River Edge Redevelopment Zone is an innovative pilot program designed to help revitalize riverfront areas by providing local developers and businesses with the critical tools to revive and redevelop abandoned or contaminated properties that will stimulate economic development opportunities and create more Illinois jobs. The River Edge Redevelopment Initiative includes the designation of redevelopment zones that are eligible to receive tax credits, exemptions and new grant funding to support clean-up, remediation and redevelopment efforts that will lead to economic revitalization in these areas. This initiative combines resources across state agencies and is administered primarily by the Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Environmental Protection Agency (IEPA).

Implementation Status

DCEO has designated zones in the cities of Aurora, East St. Louis, Elgin and Rockford.

Aurora Zone

The City of Aurora River Edge Redevelopment Zone consists of former industrial land lining its east and west riverfronts that have tremendous economic development potential, but the costs of redevelopment have made attracting investment extremely difficult. The City has begun work on public areas that will create a downtown park and public space that will support development and redevelopment. An amendment to the River Edge Redevelopment Zone Act will allow Commonwealth Edison to remove a substation in the zone that could potentially result in the eventual construction of new commercial and residential development on a former Brownfield site.

East St. Louis Zone

The City of East St. Louis River Edge Redevelopment Zone is adjacent to the Mississippi River. In 2010, the City added the Goose Hill neighborhood to the zone. The East St. Louis Riverfront is a unique area because of its unparalleled location directly across the river from the Gateway Arch. IEPA and DCEO, in conjunction with the City, are continuing to work with private developers on potential major redevelopment projects for the area.

Elgin Zone

In the City of Elgin, River Edge will provide a critical tool to further the redevelopment of the City's downtown and create new economic opportunities along the Fox River.

Rockford Zone

In Rockford, River Edge will allow for multiple redevelopments using abandoned industrial sites along the Rock River. A number of private developments have occurred in the zone, including the Wanxiang solar plant. On August 17th, Governor Pat Quinn joined more than 100 people in

celebrating the grand opening of the facility located at 5985 Logistics Parkway. According to the *Rockford Register Star*, the \$12.5 million plant is now the largest solar panel manufacturing plant in the Midwest.

Effectiveness

During State Fiscal Year 2010, according to reports submitted by these four cities, investments of nearly \$32 million in these designated zones will result in the projected creation and retention of 219 jobs. Although other factors are undoubtedly involved, RERZ designation can play an important role in a decision by a business to locate or expand.

Proposed New Legislation

DCEO is not proposing any new legislation at this time.